This record is a partial extract of the original cable. The full text of the original cable is not available.

CONFIDENTIAL ABUJA 001656

SIPDIS

E.O. 12958: DECL: 09/23/2013 TAGS: <u>EPET ASEC PINS PGOV NI</u>

SUBJECT: SHELL RESUMES LIMITED PRODUCTION IN WARRI;

MILITARY PULLS OUT OF TOWN

REF: LAGOS 1697

Classified by Political Counselor James E. Maxstadt for reasons 1.5 (b) and (d).

- 11. (C) During a September 23 phone conversation with CRO, Shell's Security Manager for the Warri area, Tony Obuaya, confirmed that three Shell flow stations in the Warri Southwest Local Government Area (LGA) have been reopened, with one additional site reoccupied and scheduled to resume production shortly. Shell may attempt to resume production at other flow stations in Warri North LGA, such as the Jones Creek facility, in the near future.
- 12. (C) According to Obuaya Shell personnel on September 20 returned to the two flow stations at Odidi and one at Batan and have begun production operations there. Shell personnel have also arrived at the Otumara flow station, but this site was damaged and will require some repairs before it can resume operations. Shell personnel were accompanied to the sites by substantial numbers of Joint Task Force personnel —Army, Navy and Mobile Police (MOPOL) who are remaining on site and being given room and board in Shell houseboats. 80 soldiers and police have been stationed in Odidi, 50 in Batan and 80 in Otumara, according to Obuaya. So far there has been no reaction to the military deployment by Ijaw militants.
- 13. (C) Noting that wells and flow lines in the area must be fully tested before full production can resume, Obuaya was nonetheless optimistic that full production could be obtained from the four flow stations within the next two weeks. CRO asked if Shell had had to consulted local communities on the resumption of operations and deployment of security personnel. Obuaya stated that Shell representatives informed several chiefs in the area of the plans to resumed production. The chiefs did not make any explicit demands, claims Obuaya, but "reminded" Shell of the need for community development assistance.
- 14. (C) Obuaya disclosed that he had met with Chevron's security officials recently to discuss coordinated plans to resume production in the Warri creeks but "they didn't seem enthusiastic about going back in." Obuaya opined that this new and tougher Chevron stance was influenced by the USG.

MILITARY WITHDRAWAL FROM WARRI TOWN

15. (C) According to a NGO source in Warri town, military units stationed at static positions in the town began "withdrawing to the barracks" during the morning of September 123. Troop-carrying trucks and APCs were seen leaving the town for the Effurun barracks. According to the DAO, this is in fact the withdrawal of two Army battalions brought in to augment the Effurun-based 7th Battalion during the mid-August fighting in Warri town. Despite the military withdrawal from the streets of the town, a dusk-to-dawn curfew remains in effect and apparently will be enforced by MOPOL and regular police.

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